(Applause.)

COMMISSIONER ADELSTEIN: Well, thanks to all of the effort and concern that went into it, I don't think the FCC will be able to do that again. As a matter of fact, I'm confident in it.

(Applause.)

COMMISSIONER ADELSTEIN: The court gave us the opportunity to reclaim the public airwaves for the people, and we can get it right this time, but as Commissioner Copps said, it's going to take a lot of hard work. It's not easy. We didn't get it handed to us on a platter. It was just an opportunity that we have to work for and make happen ourselves.

Now, Commissioner Copps and I have already called for more public participation and more public hearings this time around, and frankly, the court asked for the same thing in a stunning statement. They actually footnoted the road trip that we took around the country in this court decision. It was remarkable.

We should commission independent studies to really examine the effects of media concentration

and the effects on localism. We should study the effect of concentration on children, on minorities, on workers, on small businesses, on independent programming, on local creative artists and talent, on the coverage of local political issues and elections, and on the disability community.

Everyone in America is affected by how the media operates, including issues of localism and media consolidation as well, and the FCC simply must do a more thorough review this time.

So tonight is your turn to weigh in.

We're here tonight directly to hear from your experiences with TV and radio, and we want your perspective on how well broadcasters are doing in serving the needs of your community right here in the Central Coast.

We want to know are you getting enough coverage of local issues of concern to you, including local elections. Do you have enough news from different sources? Are they providing balanced coverage of every segment of the community? Are they providing enough family friendly programming? Are you

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1 hearing local artists played on the radio?

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We're here to talk about localism. Broadcast radio and television are so distinct and so unique and broadcasters are proud of their legacy. They're required by law to serve the public interest, as we've heard. It's part of the bargain that they have with the government.

My view, localism doesn't mean just giving promotional air time and money to charitable organizations, as commendable as that is. What it has always meant for us is providing real opportunities for local self-expression. It means reaching out, developing it, promoting local performing artists, musicians and other talent. It means dedicating the resources to discover and address the needs of the community. It means being accessible, sending reporters and cameras out to all parts of the community.

It means making programming decisions that truly reflect the make-up of the community, such as this region's large Hispanic population.

Now, a lot of broadcasters have a deep

commitment to their communities, and they can really serve as a sounding board for their communities. These broadcasters should be proud of the coverage that they provide of local issues, and I'm pleased that we have some excellent broadcasters here this evening, including this man right here and a lot more.

We want to hear more about the positive aspects of what's happening in the local media, as well as the issues that need more work. We want to learn how the FCC can encourage all stations, every single station, every licensee to put the needs of the local community first.

Over the years, the FCC has tried to promote localism in different ways with direct requirements to air certain kinds of programming or obligations on broadcasters to conduct formal ascertainment interviews with community leaders so that they learn what's happening in the community.

I remember that you told me that any broadcaster worth his salt would reach out to the public, and that would be a matter of course. That's what a good broadcaster does as a part of their

business.

But a lot of these requirements have been eroded or eliminated over the years. Still local broadcasters continue to be the main source of local news, weather, public affairs programming and emergency information. That's where people go. All of our studies show that. They play a key part in making our democracy function at its best.

I want to hear directly from you about how well you think your local broadcasters are doing. That's what we're here for.

So I really welcome each of you here tonight. I do appreciate your coming out and all of the effort that went into that. You own the airwaves, and you deserve the final say in how your airwaves are regulated.

We're here tonight because we heard your voices ring out last year. You made a difference and the bipartisan coalition gave strength to the battle for the public interest.

So as the FCC goes back to the drawing board to re-do the rules, we need to hear from you

again. So keep tuning in and taking names. We need to hear from more than three million this time.

Commissioner Copps talked about reality TV. It's interesting to think about at the dawn of the new media movement. It's really about the ultimate reality show of all, which is our democracy. Let's make sure that our democracy isn't voted off the island.

(Applause.)

COMMISSIONER ADELSTEIN: I thank you. Commissioner Copps and I are ready to ride again in the spirit of Paul Revere. We'll go back out all across the country, and we hope all of our colleagues will join us. And we're thrilled to begin right here in Monterey. So thanks for having us.

(Applause.)

COMMISSIONER ABERNATHY: Thank you,

Commissioner Adelstein. In addition to being a passionate advocate on these issues, he's also an excellent musician if any of you have the opportunity to ever hear him play.

(Applause.)

COMMISSIONER ABERNATHY: At this point I 1 would like to recognize the City of Monterey, Mayor 2 Daniel Albert, for some opening remarks. Mayor 3 Albert. He's over to my right. 4 MAYOR ALBERT: Thank you very much, and 5 certainly we want to extend a warm Monterey welcome to 6 all of you of the Commission Task Force, and we 7 certainly would like to extend a warm welcome to all 8 of you out there and want to make sure that you enjoy 9 the City of Monterey. 10 We're quite proud of our history and what 11 it's all about, and we would urge you before you leave 12 this evening that you spend some time in our 13 restaurants. 14 (Laughter and Applause.) 15 We need some kind of a MAYOR ALBERT: 16 commercial here, and I thought we would start off that 17 18 way. (Laughter.) 19 This is an important policy MAYOR ALBERT: 20 us, and I know that it is generating 21 for considerable discussion across the country. And we 22 **NEAL R. GROSS** 

thank you for reaching out to hear the public.

I would like to share with you two messages this evening. The first is that the commercial broadcast media have a history of serving this community well. We work with, watch, and listen to our local media outlets on a regular basis.

I'm a retired educator and school teacher, and generally the report card is a good one.

We also work with our local broadcasters during times of emergency when we need to just make vital and public information during earthquakes, fire, floods, and hazardous material accidents. Again, good marks.

Lastly, we have had many opportunities to collaborate with local broadcasters as they wear their corporate citizens' hat while participating in a number of community enrichment initiatives. Frankly, this community wouldn't be the same without them.

But I would caution the Task Force, however, not to be too quick to generalize my beliefs to other markets. I think that our size market makes our relationship with broadcasters somewhat unique. I don't think the same thing can be said in other

communities, especially the larger ones, and I know this adds a lot of meaning to your proceeding tonight in this smaller community.

As an example, and I need to state this because these are some things that are happening to us as a city and as a region. As an example of success we have had locally, I would like to share with you an unprecedented success story involving Clear Channel Communications and its predecessor, the Ackley Group. Our community media nonprofit access, Monterey Peninsula, had just incorporated and was looking for a home when Ackley began operations under a local marketing agreement that moved a CBS affiliate out of Monterey to locate with a Fox affiliate in Salinas.

To make a long story short, Ackley made the vacant facilities in Monterey available to AMP at a very below market rent. In essence, when a substantial debate was taking place about turning two commercial editorial voices into one, Ackley enabled an amazing number of community voices by making its facilities available to the community.

As a major partner of AMP, the city is

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proud of our relationship with Ackley and now Clear Channel, and we look forward to that relationship continuing for a long time.

My comments to you and my second message are briefer - simply, although your proceedings are looking at commercial broadcast media, I heartily encourage you to look to your community media and PEG access to the cable system as vehicles to meet community needs and interests. These solutions can, in fact, help mitigate many of the concerns you are hearing in this media consolidation debate.

As an example, AMP and the city have collaborated to use our institutional network and community media center cable class, this hearing locally, and Webcast it across the county. PEG access and institutional networks are at risk. However, because of the growing erosion of local governments, cable financing authorization by legislatures and regulators is a subject that we care very deeply about, and we would welcome the opportunity to discuss it with you in greater detail.

What we're trying to say is that we've had

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1 good collaboration here in this particular region, and 2 it has been a real benefit to the community and to the 3 City of Monterey, but regional in nature. Again, we thank you for being here in 4 Monterey, and we know that this is going to be a very 5 eager crowd to express -- we know. We have heard them 6 -- a very eager crowd to express their thoughts to you 7 and what they're thinking. 8 9 So thanks again for being in Monterey. We appreciate it. Thank you. 10 (Applause.) 11 Thank you, Mayor COMMISSIONER ABERNATHY: 12 Albert, for your warm welcome to all of us and for 13 your insights. 14 And now I would like to recognize Alex 15 Zerago for a presentation on behalf of Congressman Sam 16 Farr. Alex. 17 (Applause.) 18 MR. ZERAGO: Members of the Commission, I 19 am here on behalf of Congressman Farr, and I want to 20 read a short letter from him, and I'll just start with 21 22 that.

"Welcome to Monterey. I want to applaud your choice of the Central Coast as a venue for this session and hope that in addition to hearing and acting on the concerns of the community expressed here tonight that you are able to" -- and this is an echo of the mayor -- "to enjoy the offerings of our local tourism economy.

"I regret that with Congress in session tonight I cannot participate in this hearing. However, I have prepared written testimony that I ask for your staff to place in the record." And I have extra copies with me, if folks want that.

"In addition, today I have joined my fellow Democratic House Members from California in writing to the FCC Localism Task Force. I ask that the Task Force include this letter in the record as well.

"Both my testimony and the delegation letter highlight the widespread concern over media consolidation and its effect on the public discourse.

I urge the Federal Communications Commission to work with the public to enact stricter licensing and

ownership standards. I hope that this series of Localism Task Force hearings will begin a reinvigorated dialogue that will truly achieve media diversity.

"The hearings thus far must have given you a sense of the intense interest that this issue of media consolidation has generated across the spectrum of the American public."

And in addition, what I'd like to do is read the text of the letter that was sent from the California delegation. It's short, and it is signed by 22 members of Congress.

It begins, "In light of the recent decision by the U.S. Third Circuit Court of Appeals rejecting several FCC media ownership rules, we urge the FCC to renew the efforts to work with the public to enact stricter licensing and ownership standards. Hopefully this Localism Task Force hearing can begin a reinvigorated dialogue and debate that will truly achieve media diversity.

"One of our country's finest hallmarks is the promise of a free press that supports and

encourages a wide variety of diverse voices. Unfortunately, consolidation within the media markets can and is effectively co-opting this promise. Media consolidation concentrates ownership of television, print and radio stations in the hands of a few conglomerates and transforms the control of the airwaves from the public to the investors of the select corporations.

"Media conglomerates that own multiple stations within single markets promote standardization of programming in order to reduce cost and maximize profits. This limits the ability of stations to cover local news, events and political needs because their corporate owners restrict their programming for stability.

"The result of corporate ownership is uniformity in local stations' issue coverage, which results in limiting discussion of presenting pressing local matters and stagnating public debate. When only a handful of owners control what a community hears, sees, and reads, local stations are unable to serve their diverse viewing public effectively.

"We must continue to safeguard a free and diverse media that is relevant to our communities. Allowing corporate companies, corporations, to control our media markets is the wrong way to achieve these

"We encourage the FCC to act in the public interest and limit media consolidation."

And it is signed by the following members of Congress: Sam Farr, Nancy Pelosi, Diane Watson, Barbara Lee, Lois Capps, Robert Matsui, Henry Waxman, Bob Filner, Maxine Waters, Tom Lantos, Lynn Woolsey, Mike Honda, Ellen Tauscher, Hilda Solis, Pete Stark, Mike Thompson, Javier Becerra, Linda Sanchez, Anna Eshoo, Dennis Cardoza, Loretta Sanchez, Howard Berman,

Thank you very much.

COMMISSIONER ABERNATHY: Thank you very Zerago, for sharing the statement from Congressman Sam Farr, as well as the letter, with us. And of course, it will be placed into the record.

At this point I'd like to announce the

commencement of our first panel, and request that Secretary Dortch from the FCC announce the hearing agenda. She'll introduce the panelists and the procedures for panel presentations, including the time keeping rule so that we will be sure and have plenty of time for comments from the audience tonight.

SECRETARY DORTCH: Thank you, Commissioner Abernathy. Good evening to you, Commissioner Copps, Commissioner Adelstein, panelists, special guests and citizens.

This evening's hearing will consist of two segments separated by a break. The first segment features two panel presentations for the seven different speakers on each panel. Each speaker will have five minutes to make remarks. I will use a time machine to maintain these time limits -- located in front of Commissioner Abernathy.

I will display a yellow light when there is one minute remaining for presentation, and each panelist should begin to sum up at that time.

I will display a red light when a panelist's time has expired, and each panelist must

conclude his or her remarks.

After all speakers on the first panel have presented their opening remarks, there will be a brief period for the Commissioners to ask panelists questions and for panelists to respond.

We will then begin the second panel presentations. It will involve the same format and procedures as the first panel.

A fifteen minute break will follow the question and answer period for the second panel.

After the break, we will begin the public participation session of the hearing.

Ms. Melva Davis will moderate that session and provide details about the format and procedures after the break.

Finally, we would like to remind you to turn off your cell phones and pagers. We will now begin the first panel presentation. In order of presentation, the speakers are Blanca Zarazua, Esquire. Ms. Zarazua has her own law practice in Monterey County and is Of Counsel to the law firm of Noland, Hamerly, Etienne and Hoss. Ms. Zarazua is

1 also the Chair, Hispanic Chamber of Commerce of 2 Monterey County and Honorary Consul to Mexico for 3 Monterey and Santa Cruz Counties, Salinas, California. Eduardo Dominguez, Vice President and 5 General Manager, KSTS-TV, Telemundo, San Jose, California. 7 Patti Miller was scheduled to be with us 8 this evening. She's from Children & the Media 9 Program, Children Now, Oakland, California. 10 automobile Unfortunately, Ms. Miller was in an 11 accident and will not be able to be with us this 12 evening. 13 Joseph W. Heston, President and General Manager, KSBW-TV, Hearst-Argyle Television, Salinas, 14 15 California. 16 Joseph Salzman, Associate Dean, Annenberg 17 School for Communication at the University of Southern 18 California. Dean Salzman will present the testimony 19 of Martin Kaplan, who is also an Associate Dean at the 20 School for Communication. Mr. Kaplan could not join 21 us this evening due to a family emergency. 22 Sean McLaughlin, President and CEO, Akaku,

Vice

Maui Community Television, Kahului, Hawaii. 1 Chuck 2 Tweedle, Senior Regional President, Bonneville International's San Francisco and St. Louis Divisions, General Manager, KOIT-AM/FM, 4 San Francisco, California. 5 Thank you. Commissioner Abernathy. 6 COMMISSIONER ABERNATHY: Thank you very 8 much, Secretary Dortch. And so let's start right away with Ms. 9 10 Zarazua, but just so you know, we have been in contact with Patti Miller and we have talked to her. So it's 11 not serious, but it was serious enough that she 12 13 couldn't get here tonight. So for anyone who's worried, just so you know. 14 Ms. Zarazua. 15 MS. ZARAZUA: Yes, thank you. 16 17 Good evening, honorable members of the Federal Communications Commission, and good evening, 18 19 ladies and gentlemen of the audience. It is an honor 20 to be here this evening, and I thank Ms. Sherlock and the entire Localism Task Force for having 21 22 extended this invitation to me.

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and

time

1 Given the limited time available, I will 2 be brief and direct with my comments, which are hereby submitted 3 respectfully for consideration. I also apologize for my rush speaking 5 manner in making this presentation as I will be trying keep within the five-minute designated 6 7 allotment.

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My focus this evening will be to provide comment with respect to the Commission's concern that broadcasters serve the needs and interests of all significant segments of their communities, including the Spanish speaking communities.

your

review

I believe the term "significant segments" as used in the Commission's Notice of Inquiry adopted on June 7th, 2004, refers to segments of individuals whom I have the honor of serving in my various roles. As a lawyer, I represent many Spanish speakers who find the U.S. legal system difficult to understand. As Honorary Consul, I address the many issues facing immigrants from Mexico who live and work California's Central Coast, and as Chair of the Hispanic Chamber of Commerce, I see firsthand the

challenges faced by many small, Hispanic owned businesses.

These significant segments do not belong to a homogeneous group. Indeed, there is much diversity within diversity: language of preference, immigration status, economic level, level of formal education, etc. will all vary from individual to individual and from community to community.

Given this multifaceted context, the mission of localism and its implementation require extensive research and careful evaluation. If a person is unable to read English and English is the most commonly used language, that person will rely on visual and audio sources of information. If a person reads neither English nor Spanish, reliance on visual and audio sources of information is heightened.

Broadcasters are trustees of the public airways, and they must use the medium to serve the public interest. I would urge you to adopt a broad definition of public to include Spanish speakers, immigrants from abroad, individuals who are illiterate, etc., because to deny these individuals

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the benefits of this public resource is a disservice to everyone in the community, not just to those directly affected by such a decision.

This Commission has stated that the free flow of information is, quote, the life blood of democracy. As many can understand public information only if it is delivered in Spanish, do we truly have this free flow of information and do we truly protect democracy if Spanish is not used to deliver this public information?

The public's airwaves are akin to sort of international currency because people from all over the world use them. I would urge the Commission to manage this international currency using strict standards of accountability.

I have some specific recommendations, and my hope is that these recommendations will assist the Commission in complying with the Third District Court of Appeals' mandate that a, quote, rational and reasoned analysis be applied in formulating any proposed rule changes.

I believe a different vocabulary must be

emphasized instead of referring so often to corporations, conglomerates, and consolidation, let us begin using words such as commitment, compassion, and community conscience.

## (Applause.)

MS. ZARAZUA: (Laughing) Stop the Clock. To contribute to localism, broadcast programming must highlight heroes and success stories from within the significant segments already referenced so that community pride may be fostered.

With respect to non-programming factors, I urge the Commission to undertake the following: Urge main studios to be located within the local communities so that the local studios are, quote, part of the neighborhood.

### (Applause.)

MS. ZARAZUA: Encourage contests for the leadership in the local community groups so that licensees have a pulse on community priorities.

Define locally oriented programming as programming of interest to the local community, regardless of the source.

Incorporate individuals with sensitivity to these underserved communities in the decision-making process.

Reward licensees who seek opportunities to educate underserved communities. For example, with respect to local and national elections, licensees have the ability to educate communities about the importance of participating in the political process.

(Applause.)

MS. ZARAZUA: Licensees must explain why understanding and participating in the political process is important and how politics affect the daily lives of many individuals residing in underserved communities.

Currently many individuals in these communities consider politics as a low priority item because the daily challenge of basic economic survival continues to be the top priority.

With respect to regulations, I believe qualitative features need to be introduced. For example, if a licensee demonstrates strong community commitment, the initial term of the license could be

automatically extended. 1 I'm going to conclude now and request a 2 few seconds additional because of the applause. 3 Ι thank you for that additional time. 4 5 (Laughter.) MS. ZARAZUA: In conclusion, 6 as Commissioner Adelstein has stated, localism means 7 providing opportunities for local self-expression. 8 deny individuals the opportunity for self-expression 9 is to deny them their personal growth, self-respect, 10 and dignity. 11 With your permission, Commissioners, I 12 would like to conclude with a few words in Spanish. 13 14 (Speaking Spanish.) I just stated the following: Good evening, 15 ladies and gentlemen. I just wanted to thank you for 16 participating in this event. Your participation this 17 evening confirms your interest in the future 18 well-being of our community. 19 20 Thank you. 21 (Applause.) 22 COMMISSIONER ABERNATHY: Thank you, Ms. **NEAL R. GROSS**